

**EXHIBIT E**

**1065**Form  
Department of the Treasury  
Internal Revenue Service**U.S. Return of Partnership Income**

OMB No. 1545-0099

For calendar year 2002, or tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

**2002**

D Employer identification number

**13-3891671**

E Date business started

**05/20/1996**

F Total assets

**\$18,564,854.**

A Principal business activity

Use the IRS label. Otherwise, print or type.

**MARTIN J. JOEL PARTNERSHIP**

Number, street, and room or suite no. If a P.O. box, see page 14 of the instructions.

**21 CAYUGA ROAD**

City or town, state, and ZIP code

**SCARSDALE, NY 10583-6941**

INVESTMENT

B Principal product or service

INVESTMENT

C Business code number

**523900**

G Check applicable boxes:

(1)  Initial return(2)  Final return(3)  Name change(4)  Address change(5)  Amended return

H Check accounting method:

(1)  Cash(2)  Accrual(3)  Other (specify) ►I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ► **2**

Caution: Include only trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Income

Deductions (see instructions for limitations)

22 Ordinary Income (loss) from trade or business activities. Subtract line 21 from line 8

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member) is based on all information of which preparer has any knowledge.

May the IRS discuss this return with the preparer shown below  
(see Instr.)?  Yes  No

Sign Here

Signature of general partner or limited liability company member

Date

Paid  
Preparer's  
Use Only

Preparer's signature

Date

Check if self-employed

Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code

**KONIGSBERG, WOLF & CO., P.C.  
440 PARK AVENUE SOUTH  
NEW YORK, N.Y. 10016**EIN **13-2811464**Phone no. **(212) 685-7215**

**Schedule A Cost of Goods Sold** (see page 19 of the instructions)

1	Inventory at beginning of year		1
2	Purchases less cost of items withdrawn for personal use		2
3	Cost of labor		3
4	Additional section 263A costs (attach schedule)		4
5	Other costs (attach schedule)		5
6	Total. Add lines 1 through 5.		6
7	Inventory at end of year		7
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2		8
9 a	Check all methods used for valuing closing inventory:		
(I) <input type="checkbox"/>	Cost as described in Regulations section 1.471-3	► <input type="checkbox"/>	
(II) <input type="checkbox"/>	Lower of cost or market as described in Regulations section 1.471-4	► <input type="checkbox"/>	
(III) <input type="checkbox"/>	Other (specify method used and attach explanation) ►	► <input type="checkbox"/>	
b	Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c)	► <input type="checkbox"/>	
c	Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)	► <input type="checkbox"/>	
d	Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership?	► <input type="checkbox"/>	
e	Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation.	► <input type="checkbox"/> Yes <input type="checkbox"/> No ► <input type="checkbox"/> Yes <input type="checkbox"/> No	

**Schedule B Other Information**

1	What type of entity is filing this return? Check the applicable box:	Yes	No
a <input checked="" type="checkbox"/>	Domestic general partnership	<input type="checkbox"/>	Domestic limited partnership
c <input type="checkbox"/>	Domestic limited liability company	<input type="checkbox"/>	Domestic limited liability partnership
e <input type="checkbox"/>	Foreign partnership	<input type="checkbox"/>	Other ►
2	Are any partners in this partnership also partnerships?	X	
3	During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment		X
4	Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see Designation of Tax Matters Partner below	X	
5	Does this partnership meet all three of the following requirements?	X	
a	The partnership's total receipts for the tax year were less than \$250,000;		
b	The partnership's total assets at the end of the tax year were less than \$600,000; and		
c	Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return. If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item J on Schedule K-1		
6	Does this partnership have any foreign partners? If "Yes," the partnership may have to file Forms 8804, 8805 and 8813. See page 20 of the instructions	X	
7	Is this partnership a publicly traded partnership as defined in section 469(k)(2)?	X	
8	Has this partnership filed, or is it required to file, Form 8264, Application for Registration of a Tax Shelter?	X	
9	At any time during calendar year 2002, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country. ►	X	
10	During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 20 of the instructions	X	
11	Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under Elections Made By the Partnership on page 8 of the instructions	X	
12	Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return ►	X	

**COPY****Designation of Tax Matters Partner** (see page 21 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

Name of  
designated TMP ► MARTIN JOELIdentifying  
number of TMP ► 135-22-3227Address of  
designated TMP ► 21 CAYUGA ROAD  
SCARSDALE, NY 10583JWA  
211011  
12-16-02

**Schedule K Partners' Shares of Income, Credits, Deductions, etc.**

		(a) Distributive share items	(b) Total amount
Income (Loss)	1	1 Ordinary income (loss) from trade or business activities (page 1, line 22)	1
	2	2 Net income (loss) from rental real estate activities (attach Form 8825)	2
	3a	3a Gross income from other rental activities	3a
	3b	b Expenses from other rental activities (attach schedule)	3b
	3c	c Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c
	4a	4 Portfolio income (loss): a. Interest income	4a
	4b	b Ordinary dividends	4b
	4c	c Royalty income	4c
	4d	d Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d
	4e(1)	e (1) Net long-term capital gain (loss) (attach Schedule D (Form 1065))	4e(1)
		(2) 28% rate gain (loss) ► (3) Qualified 5-year gain ►	
	4f	f Other portfolio income (loss) (attach schedule)	4f
	5	5 Guaranteed payments to partners	5
	6	6 Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6
	7	7 Other income (loss) (attach schedule)	7
Deductions	8	8 Charitable contributions (attach schedule)	8
	9	9 Section 179 expense deduction (attach Form 4562)	9
	10	10 Deductions related to portfolio income (itemize)	10
	11	11 Other deductions (attach schedule)	11
Credits	12a	12a Low-income housing credit:	12a
	12a(1)	(1) From partnerships to which section 42(j)(5) applies	12a(1)
	12a(2)	(2) Other than on line 12a(1)	12a(2)
	12b	b Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b
	12c	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c
	12d	d Credits related to other rental activities	12d
	13	13 Other credits	13
Investment Interest	14a	14a Interest expense on investment debts	14a
	14b(1)	b (1) Investment income included on lines 4a, 4b, 4c, and 4f above	183,373.
	14b(2)	(2) Investment expenses included on line 10 above	
Self-Employment	15a	15a Net earnings (loss) from self-employment	15a
	15b	b Gross farming or fishing income	0.
	15c	c Gross nonfarm income	
Adjustments and Tax Preference Items	16a	16a Depreciation adjustment on property placed in service after 1986	16a
	16b	b Adjusted gain or loss	16b
	16c	c Depletion (other than oil and gas)	16c
	16d(1)	d (1) Gross income from oil, gas, and geothermal properties	16d(1)
	16d(2)	(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)
	16e	e Other adjustments and tax preference items (attach schedule)	16e
Foreign Taxes	17a	17a Name of foreign country or U.S. possession ►	17a
	17b	b Gross income from all sources	17b
	17c	c Gross income sourced at partner level	17c
	17d(3)	d Foreign gross income sourced at partnership level:	17d(3)
	17e(2)	(1) Passive ► (2) Listed categories (attach sch.) ► (3) General limitation ►	17e(2)
	17f(3)	e Deductions allocated and apportioned at partner level:	17f(3)
	17g	(1) Interest expense ► (2) Other ►	17g
	17h	f Deductions allocated and apportioned at partnership level to foreign source income:	17h
	18b	(1) Passive ► (2) Listed categories (attach sch.) ► (3) General limitation ►	18b
	19	g Total foreign taxes (check one): ► Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	19
	20	h Reduction in taxes available for credit (attach schedule)	20
Other	21	18 Section 59(e)(2) expenditures: a Type ► b Amount ►	21
	22	19 Tax-exempt interest income	22 1,020,000.
	23	20 Other tax-exempt income	23 243,117.
	24	21 Nondeductible expenses	
		22 Distributions of money (cash and marketable securities)	
		23 Distributions of property other than money	
		24 Other items and amounts required to be reported separately to partners (attach schedule)	

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Sch K, lines 8 through 11, 14a, 17g, and 18b	1	-173,597.
2 Analysis by partner type:		
(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)
a General partners	-173,597.	
b Limited partners		

Note: Schedules L, M-1 and M-2 are not required if Question 5 of Schedule B is answered "Yes."

**Schedule L Balance Sheets per Books**

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (attach schedule)				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9a Buildings and other depreciable assets	STATEMENT 2	14,548,940.		
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets		14,548,940.		18,564,854.
<b>Liabilities and Capital</b>				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)	STATEMENT 3	19,528,287.		
18 All nonrecourse loans				24,974,754.
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Partners' capital accounts		-4,979,347.		-6,409,900.
22 Total liabilities and capital		14,548,940.		18,564,854.

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return**

1 Net income (loss) per books	-173,597.	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize):		a Tax-exempt interest \$ _____
3 Guaranteed payments (other than health insurance)		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize):
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):		a Depreciation \$ _____
a Depreciation \$ _____		8 Add lines 6 and 7
b Travel and entertainment \$ _____		9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5
5 Add lines 1 through 4	-173,597.	-173,597.

**Schedule M-2 Analysis of Partners' Capital Accounts**

1 Balance at beginning of year	-4,979,347.	6 Distributions: a Cash	1,020,000.
2 Capital contributed during year: a Cash	6,161.	b Property	243,117.
b Property		7 Other decreases (itemize):	
3 Net income (loss) per books	-173,597.		
4 Other increases (itemize):		8 Add lines 6 and 7	1,263,117.
5 Add lines 1 through 4	-5,146,783.	9 Balance at end of year. Subtract line 8 from line 5	-6,409,900.

**SCHEDULE D**  
**(Form 1065)**

Department of the Treasury  
Internal Revenue Service

**Name of partnership**

### **Capital Gains and Losses**

► Attach to Form 1065.

OMB No. 1545-0099

2002

**Employer identification number**

**MARTIN J. JOEL PARTNERSHIP**

13-3891671

## **Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

## **Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

\* 28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

SCHEDULE K	DIVIDEND INCOME	STATEMENT 1
DESCRIPTION		AMOUNT
B MADOFF		274,814.
LESS: SHORT AGAINST THE BOX DIVIDENDS		-91,441.
TOTAL TO SCHEDULE K, LINE 4B		183,373.

SCHEDULE L	OTHER CURRENT ASSETS	STATEMENT 2	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
SECURITIES HELD AT COST		14,548,940.	18,564,854.
TOTAL TO SCHEDULE L, LINE 6		14,548,940.	18,564,854.

SCHEDULE L	OTHER CURRENT LIABILITIES	STATEMENT 3	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
MARGIN PAYABLE-B.L.MADOFF		19,528,287.	24,974,754.
TOTAL TO SCHEDULE L, LINE 17		19,528,287.	24,974,754.

FORM 1065	PARTNERS' CAPITAL ACCOUNT SUMMARY	STATEMENT 4			
PARTNER NUMBER	BEGINNING CAPITAL	CAPITAL CONTRIBUTED	SCHEDULE M-2 LNS 3, 4 & 7	WITH- DRAWALS	ENDING CAPITAL
1	-4,998,050.	6,099.	-171,862.	1,250,486.	-6,414,299.
2	18,703.	62.	-1,735.	12,631.	4,399.
TOTAL	-4,979,347.	6,161.	-173,597.	1,263,117.	-6,409,900.

## SCHEDULE D

## SHORT-TERM CAPITAL GAINS AND LOSSES

STATEMENT 5

DESCRIPTION	DATE ACQUIRED	DATE SOLD	SALES PRICE	COST OR BASIS	GAIN OR LOSS
KLA	01/23/02	12/06/01	5,452,230.	5,355,000.	97,230.
APPL MATERIALS	03/01/02	09/04/01	6,293,600.	6,107,100.	186,500.
CIRCUIT CITY	12/10/01	08/05/02	3,155,425.	3,026,200.	129,225.
ALTERA-SHORT SALES NOT COVERED IN 2002		06/05/02	331,740.	331,740.	
PHILIP MORRIS-SHORT SALES NOT COVERED IN 2002		06/05/02	1,375,200.	1,375,200.	0.
ADAPTEC INC-SHORT SALES NOT COVERED IN 2002		05/31/02	975,000.	975,000.	0.
XILINX INC-SHORT SALES NOT COVERED IN 2002		06/03/02	4,826,250.	4,826,250.	0.
DELTA-SHORT SALES NOT COVERED IN 2002		06/03/02	1,993,500.	1,993,500.	0.
KLA TENCOR-SHORT SALES NOT COVERED IN 2002		06/05/02	2,682,500.	2,682,500.	0.
BROADCOM-SHORT SALES NOT COVERED IN 2002		05/01/02	3,987,870.	3,987,870.	0.
EMC-SHORT SALES NOT COVERED IN 2002		05/01/02	1,742,250.	1,742,250.	0.
NETWORK APPLIANCES-SHORT SALES NOT COVERED IN 2002		05/01/02	696,000.	696,000.	0.
LSI LOGIC-SHORT SALES NOT COVERED IN 2002		06/05/02	867,450.	867,450.	0.
TOTAL TO SCHEDULE D, LINE 1			34,379,015.	33,966,060.	412,955.

**SCHEDULE K-1  
(Form 1065)**Department of the Treasury  
Internal Revenue Service

beginning

**Partner's Share of Income, Credits, Deductions, etc.**

For calendar year 2002 or tax year

and ending

**2002**Partner's Identifying number ► **135-22-3227**

Partner's name, address, and ZIP code

**MARTIN JOEL**  
**21 CAYUGA ROAD**  
**SCARSDALE, NY 10583**

A This partner is a  general partner  limited partner  
 limited liability company member

B What type of entity is this partner? ► **INDIVIDUAL**

C Is this partner a  domestic or a  foreign partner?

D Enter partner's percentage of:  
 (i) Before change or termination      (ii) End of year

Profit sharing ..... % **99.0000000%**  
 Loss sharing ..... % **99.0000000%**  
 Ownership of capital ..... % **99.0000000%**

E IRS Center where partnership filed return: **OGDEN, UT**

J Analysis of partner's capital account:

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
<b>-4,998,050.</b>	<b>6,099.</b>	<b>-171,862.</b>	<b>1,250,486.</b>	<b>-6,414,299.</b>

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
1	Ordinary income (loss) from trade or business activities	<b>0.</b>	{ See page 6 of Partner's Instructions for Schedule K-1 (Form 1065)
2	Net income (loss) from rental real estate activities		Sch. B, Part I, line 1
3	Net income (loss) from other rental activities		Sch. B, Part II, line 5
4	Portfolio income (loss): a interest		Sch. E, Part I, line 4
b	Ordinary dividends	<b>181,539.</b>	Sch. D, line 5, col. (f)
c	Royalties		Sch. D, line 12, col. (f)
d	Net short-term capital gain (loss)		Sch. D, line 12, col. (g)
e	(1) Net long-term capital gain (loss)		Line 5 of worksheet for Sch. D, line 29
	(2) 28% rate gain (loss)		Enter on applicable lines of your return
	(3) Qualified 5-year gain		{ See page 6 of Partner's Instructions for Schedule K-1 (Form 1065)
f	Other portfolio income (loss) (attach schedule)		Enter on applicable line of your return
5	Guaranteed payments to partner		Sch. A, line 15 or 16
6	Net sec. 1231 gain (loss) (other than casualty or theft)		{ See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065)
7	Other income (loss) (attach schedule)		Enter on applicable lines of your return
8	Charitable contributions (attach schedule)		Form 4952, line 1
9	Section 179 expense deduction		{ See page 9 of Partner's Instructions for Schedule K-1 (Form 1065)
10	Deductions related to portfolio income (attach schedule)		Sch. SE, Section A or B
11	Other deductions (attach schedule)		{ See page 9 of Partner's Instructions for Schedule K-1 (Form 1065)
13	Other credits		Enter on applicable lines of your return
14 a	Interest expense on investment debts	<b>762,226.</b>	Form 4952, line 1
b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	<b>181,539.</b>	{ See page 9 of Partner's Instructions for Schedule K-1 (Form 1065)
	(2) Investment expenses included on line 10 above		Sch. SE, Section A or B
15 a	Net earnings (loss) from self-employment	<b>0.</b>	{ See page 9 of Partner's Instructions for Schedule K-1 (Form 1065)
b	Gross farming or fishing income		See Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251
c	Gross nonfarm income		Form 1040, line 8b
16 a	Depreciation adjustment on property placed in service after 1986		{ See Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251
b	Adjusted gain or loss		See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065)
e	Other adjustments and tax preference items (attach schedule)		No information Required for Page 2 Schedule K-1 (Form 1065) 2002
19	Tax-exempt interest income		
20	Other tax-exempt income		
21	Nondeductible expenses		
22	Distributions of money (cash and marketable securities)	<b>1,009,800.</b>	
23	Distributions of property other than money	<b>240,686.</b>	

SCHEDULE K-1

COLUMN C RECONCILIATION

DESCRIPTION

AMOUNT

DIVIDEND INCOME	181,539.
SHORT-TERM CAPITAL GAIN (LOSS)	408,825.
INTEREST EXPENSE ON INVESTMENT DEBTS	-762,226.
TOTAL TO SCHEDULE K-1, ITEM J, COLUMN C	<u>-171,862.</u>

**SCHEDULE K-1  
(Form 1065)**Department of the Treasury  
Internal Revenue Service

beginning

**Partner's Share of Income, Credits, Deductions, etc.**

For calendar year 2002 or tax year

and ending

**2002**

Partner's Identifying number ► 079-28-6866

Partner's name, address, and ZIP code

**SYLVIA ANN JOEL  
21 CAYUGA ROAD  
SCARSDALE, NY 10583**

Partnership's Identifying number ► 13-3891671

Partnership's name, address, and ZIP code

**MARTIN J. JOEL PARTNERSHIP  
21 CAYUGA ROAD  
SCARSDALE, NY 10583-6941**

A	This partner is a <input checked="" type="checkbox"/> general partner <input type="checkbox"/> limited partner	<input type="checkbox"/> limited liability company member
B	What type of entity is this partner? ► <b>INDIVIDUAL</b>	
C	Is this partner a <input checked="" type="checkbox"/> domestic or a <input type="checkbox"/> foreign partner?	
D	Enter partner's percentage of:	(i) Before change or termination      (ii) End of year
	Profit sharing .....	% <b>1.000000%</b>
	Loss sharing .....	% <b>1.000000%</b>
	Ownership of capital .....	% <b>1.000000%</b>
E	IRS Center where partnership filed return: <b>OGDEN, UT</b>	
J	Analysis of partner's capital account:	

F	Partner's share of liabilities:	
	Nonrecourse .....	\$ _____
	Qualified nonrecourse financing .....	\$ _____
	Other .....	\$ <b>0.</b>
G	Tax shelter registration number ► _____	
H	Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) <input type="checkbox"/>	
I	Check applicable boxes: (1) <input type="checkbox"/> Final K-1 (2) <input type="checkbox"/> Amended K-1	

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
<b>18,703.</b>	<b>62.</b>	<b>-1,735.</b>	<b>12,631.</b>	<b>4,399.</b>

Income (Loss)	(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
1	Ordinary income (loss) from trade or business activities	<b>0.</b>	{ See page 6 of Partner's Instructions for Schedule K-1 (Form 1065)
2	Net income (loss) from rental real estate activities		
3	Net income (loss) from other rental activities		
4	Portfolio income (loss): a Interest		
b	Ordinary dividends	<b>1,834.</b>	Sch. B, Part I, line 1
c	Royalties		Sch. B, Part II, line 5
d	Net short-term capital gain (loss)	<b>4,130.</b>	Sch. E, Part I, line 4
e	(1) Net long-term capital gain (loss)		Sch. D, line 5, col. (f)
	(2) 28% rate gain (loss)		Sch. D, line 12, col. (f)
	(3) Qualified 5-year gain		Sch. D, line 12, col. (g)
f	Other portfolio income (loss) (attach schedule)		Line 5 of worksheet for Sch. D, line 29
5	Guaranteed payments to partner		Enter on applicable lines of your return
6	Net sec. 1231 gain (loss) (other than casualty or theft)		{ See page 6 of Partner's Instructions for Schedule K-1 (Form 1065)
7	Other income (loss) (attach schedule)		Enter on applicable line of your return
8	Charitable contributions (attach schedule)		Sch. A, line 15 or 16
9	Section 179 expense deduction		{ See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065)
10	Deductions related to portfolio income (attach schedule)		
11	Other deductions (attach schedule)		
13	Other credits		{ Enter on applicable lines of your return)
14 a	Interest expense on investment debts	<b>7,699.</b>	Form 4952, line 1
b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	<b>1,834.</b>	{ See page 9 of Partner's Instructions for Schedule K-1 (Form 1065)
	(2) Investment expenses included on line 10 above		
15 a	Net earnings (loss) from self-employment	<b>0.</b>	Sch. SE, Section A or B
b	Gross farming or fishing income		{ See page 9 of Partner's Instructions for Schedule K-1 (Form 1065)
c	Gross nonfarm income		
16 a	Depreciation adjustment on property placed in service after 1986		{ See Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251
b	Adjusted gain or loss		
c	Other adjustments and tax preference items (attach schedule)		
19	Tax-exempt interest income		Form 1040, line 8b
20	Other tax-exempt income		{ See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065)
21	Nondeductible expenses		
22	Distributions of money (cash and marketable securities)	<b>10,200.</b>	
23	Distributions of property other than money	<b>2,431.</b>	

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SCHEDULE K-1COLUMN C RECONCILIATION

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## DESCRIPTION

## AMOUNT

DIVIDEND INCOME	1,834.
SHORT-TERM CAPITAL GAIN (LOSS)	4,130.
INTEREST EXPENSE ON INVESTMENT DEBTS	-7,699.
<b>TOTAL TO SCHEDULE K-1, ITEM J, COLUMN C</b>	<b>-1,735.</b>

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KONIGSBERG, WOLF & CO., P.C.  
440 PARK AVENUE SOUTH  
NEW YORK, N.Y. 10016  
(212) 685-7215

MARCH 4, 2003

MARTIN J. JOEL PARTNERSHIP  
21 CAYUGA ROAD  
SCARSDALE, NY 10583-6941

MARTIN J. JOEL PARTNERSHIP:

WE HAVE PREPARED AND ENCLOSED YOUR 2002 NEW YORK PARTNERSHIP INCOME TAX RETURN FOR THE YEAR ENDED DECEMBER 31, 2002. THE RETURN SHOULD BE SIGNED AND DATED.

THE NEW YORK FORM IT-204 SHOULD BE MAILED ON OR BEFORE APRIL 15, 2003 TO:

STATE PROCESSING CENTER  
P.O. BOX 61000  
ALBANY, NY 12261-0001

NO PAYMENT IS REQUIRED WITH THIS RETURN WHEN FILED.

A COPY OF SCHEDULE K-1 SHOULD BE FURNISHED TO EACH PARTNER.

WE RECOMMEND THAT YOU SEND THE RETURN TO THE TAXING AUTHORITIES BY CERTIFIED MAIL WITH A REQUEST FOR A RETURN RECEIPT. PLEASE RETAIN THE RECEIPT AS A PROOF OF TIMELY FILING.

WE SINCERELY APPRECIATE THIS OPPORTUNITY TO SERVE YOU. IF YOU HAVE ANY QUESTIONS REGARDING THE RETURN, PLEASE DO NOT HESITATE TO CALL.

A COPY OF THE RETURN IS ENCLOSED FOR YOUR FILES. WE SUGGEST THAT YOU RETAIN THIS COPY INDEFINITELY.

SINCERELY,

KONIGSBERG, WOLF & CO., P.C.

For office use only

New York State Department of Taxation and Finance

**Partnership Return****IT-204**

2002

Print or type		For calendar year 2002 or fiscal year beginning _____ and ending _____	
		Read the instructions, Form IT-204-I, before completing this return.	
Legal name		Employer identification number	
MARTIN J. JOEL PARTNERSHIP		13-3891671	
Trade name of business if different from legal name above		Principal business activity	
		INVESTMENT	
Address (number and street or rural route)		Principal product or service	
21 CAYUGA ROAD		INVESTMENT	
City, village, or post office		State	ZIP code
SCARSDALE, NY 10583-6941			

A Mark an X in the box that applies to your entity:

- Regular partnership       Limited liability partnership (LLP)       Portfolio investment partnership  
 Limited liability company (LLC - including limited liability investment company and a limited liability trust company)

If you do not need forms mailed to you next year, mark an X in the box

B 1) Did the partnership have any income gain, loss, or deduction derived from New York sources during the tax year?

2) If No, enter the number of resident partners .....

B1  Yes  X  No

C Mark applicable box(es): ► Change of address ► Initial return ► Amended return

B2 

Final return (attach explanation)

D Is this return the result of federal audit changes?

D1  Yes  No  X

If Yes: 1) Enter date of final federal determination .....

D2  Yes  No 

2) Do you concede the federal audit changes? (see instructions for amended return or federal changes.)

2001  Yes  X  No E Did you file a New York State partnership return for: 2000  Yes  X  No 

If No, state reason: \_\_\_\_\_

2001  Yes  X  No 

F Total number of partners required to be listed on Form IT-204-ATT (see instructions)

F  2

G Does the partnership currently have tax accounts with New York State for the following taxes?

1. Sales and use tax  Yes  No  X      If Yes, enter ID number: G1  
 2. Withholding tax  Yes  No  X      G2

**Schedule A****Part I - List all places, both in and out of New York State, where the partnership carries on business  
(attach additional sheets if necessary)**

Street address	City and state	Description

**Part II - Formula basis allocation of income if books do not reflect income earned in New York**

Items used as factors	A Totals - in and out of New York State	B New York State amounts	C Percent column B is of column A
Property percentage	Dollars	Dollars	
1 Real property owned	1.	1.	
2 Real property rented from others	2.	2.	
3 Tangible personal property owned	3.	3.	
4 Property percentage (add lines 1, 2, and 3)	4.	4.	%
5 Payroll percentage	5.	5.	%
6 Gross income percentage	6.	6.	%
7 Total of percentages (add column C, lines 4, 5, and 6)		7.	%
8 Business allocation percentage (divide line 7 by three or by actual number of percentages if less than three)		8. 100.00	%

Third-party designee	Do you want to allow another person to discuss this return with the Tax Dept? (see instructions)		Yes <input checked="" type="checkbox"/> (complete the following) <input type="checkbox"/> No <input type="checkbox"/>
	Designee's Name: <b>PREPARER</b>	Designee's phone number: (212) 685-7215	
Paid preparer's use only	Preparer's signature: _____	Preparer's SSN or PTIN: _____	Personal identification number (PIN): _____
Firm name (or yours, if self-employed)	Signature of general partner		
KONIGSBERG, WOLF & CO., P.C. Address: 440 PARK AVENUE SOUTH NEW YORK, N.Y. 10016	Date: _____	Mark X if self-employed: _____	Date: _____ Daytime phone number (optional): _____

311213 Partnership must attach federal Form 1065 or Form 1065-B and all schedules to this Form IT-204 (see instructions for Penalties).

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Mail your return to: STATE PROCESSING CENTER, PO BOX 61000, ALBANY, NY 12261-0001.

This is a scannable form: please file this original return with the Tax Department.

IT-204 2002

**Schedule B - Partners' New York modifications, credits, etc. SEE ATTACHED SCHEDULES K-1****Part I - Partners' New York modifications to federal items**

- 9 New York State additions (attach schedule; see instructions) .....
- 10 New York State subtractions (attach schedule; see instructions) .....
- 11 Additions to federal itemized deductions .....
- 12 Subtractions from federal itemized deductions .....
- 13 Amount of interest expense incurred to carry tax-exempt obligations .....
- 14 New York adjustments to federal tax preference items (see instructions) .....

**Total**

9.
10.
11.
12.
13.
14.

**Part II - Partners' credit information**

- 15 Manufacturing and production, retail enterprise, waste treatment  
and pollution control property - investment credit (attach Form IT-212) .....
- 16 Research and development property - investment credit (attach Form IT-212) .....
- 17 Add-back of investment credit on early dispositions (attach Form IT-212) .....
- 18 Defibrillator credit (attach Form IT-250) .....
- 19 Investment credit for the financial services industry (attach Form IT-252) .....
- 20 Add-back of investment credit on early dispositions for the financial services industry (attach Form IT-252) .....
- 21 Credit for employment of persons with disabilities (attach Form IT-251) .....
- 22 Alternative fuels credit (attach Form IT-253) .....
- 23 Add-back of alternative fuels credit on early dispositions (attach Form IT-253) .....
- 24 Fuel oil storage tank credit (attach Form IT-254) .....
- 25 Industrial or manufacturing business (IMB) credit (attach Form DTF-623) .....
- 26 Low-income housing credit (attach Form DTF-624) .....
- 27 Green building credit (attach Form DTF-630) .....
- 28 Long-term care insurance credit (attach Form IT-249) .....
- 29 EZ wage tax credit (attach Form IT-601) .....
- 30 ZEA wage tax credit (attach Form IT-601.1) .....
- 31 EZ capital tax credit for investments in and donations to EZ capital corporations (from Form IT-602, Schedule A, line 5) .....
- 32 EZ capital tax credit for investments in certified EZ businesses (from Form IT-602, Schedule B, line 9) .....
- 33 EZ capital tax credit for monetary contributions to EZ development projects (from Form IT-602, Schedule C, line 13) .....
- 34 EZ investment tax credit and EZ employment incentive credit (attach Form IT-603) .....
- 35 QEZE credit for real property taxes (attach Form IT-604) .....
- 36 QEZE employment increase factor (see instructions) .....
- 37 QEZE zone allocation factor (see instructions) .....
- 38 QEZE benefit period factor (see instructions) .....
- 39 Add-back of QEZE credit for real property taxes (attach Form IT-604) .....
- 40 EZ investment tax credit and EZ employment incentive credit for the financial services industry (attach Form IT-605) .....
- 41 Add-back of EZ capital tax credit, EZ investment tax credit, and EZ employment incentive credit (attach Forms IT-602 and IT-603) .....
- 42 Add-back of EZ investment tax credit and EZ employment incentive credit for the financial services industry (attach Form IT-605) .....
- 43 QETC employment credit (attach Form DTF-621) .....
- 44 QETC capital tax credit (attach Form DTF-622) .....
- 45 Add-back of QETC capital tax credit on early dispositions (attach Form DTF-622) .....
- 46 Total acres of qualified agricultural property .....
- 47 Total acres of qualified conservation property .....
- 48 Total amount of eligible taxes paid .....
- 49 Total acres of qualified agricultural property converted to nonqualified use .....

**Total**

15.
16.
17.
18.
19.
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**Part III - Income and deductions allocated to New York (see instructions)**

- 50 Ordinary income (loss) from trade or business activities .....
- 51 Net income or loss from New York rental real estate activities .....
- 52 Net income or loss from other rental activities .....
- 53 Portfolio income (loss) .....
- 54 Guaranteed payments to partners .....
- 55 Net gain (loss) under IRC section 1231 (other than due to casualty or theft) .....
- 56 Other income .....
- 57 Expense deduction for property under IRC section 179 .....
- 58 Deductions related to portfolio income (do not include investment interest expense) .....
- 59 Other deductions (see instructions) .....
- 60 Tax preference items for minimum tax (see instructions) .....
- 61 New York adjustments to federal tax preference items (see instructions) .....
- 62 Investment interest expense (see instructions) .....
- 63 Other items not included above that are required to be reported separately to partners .....

**Allocated NY amounts**

50.
51.
52.
53.
54.
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56.
57.
58.
59.
60.
61.
62.
63.

2002

New York State Department of Taxation and Finance  
**Partners'**  
**Identifying Information**

Attachment to Form IT-204

**IT-204-ATT**Page 1 of 1

Legal name (as shown on Form IT-204) <b>MARTIN J. JOEL PARTNERSHIP</b> <b>21 CAYUGA ROAD</b> <b>SCARSDALE, NY 10583-6941</b>		Employer identification number <b>13-3891671</b>	
(A)	(B)	(D)	(E)
For each identifying number, enter name (last, first, middle initial) on first line; enter home address on second and third lines.		Identifying number (SSN or EIN) (C) Percentage of ownership	Mark X if resident of:  <input checked="" type="checkbox"/> NYS <input type="checkbox"/> NYC <input type="checkbox"/> Yonkers
1.	1  <b>MARTIN JOEL</b> <b>21 CAYUGA ROAD</b> <b>SCARSDALE, NY 10583</b>	1B.  <b>135-22-3227</b>  1C. <b>99.0000000</b>	<input checked="" type="checkbox"/> NYS <input type="checkbox"/> NYC <input type="checkbox"/> Yonkers
2.	2  <b>SYLVIA ANN JOEL</b> <b>21 CAYUGA ROAD</b> <b>SCARSDALE, NY 10583</b>	2B.  <b>079-28-6866</b>  2C. <b>1.0000000</b>	<input checked="" type="checkbox"/> NYS <input type="checkbox"/> NYC <input type="checkbox"/> Yonkers
3.		3B.  3C.	<input type="checkbox"/> NYS <input type="checkbox"/> NYC <input type="checkbox"/> Yonkers
4.		4B.  4C.	<input type="checkbox"/> NYS <input type="checkbox"/> NYC <input type="checkbox"/> Yonkers
5.		5B.  5C.	<input type="checkbox"/> NYS <input type="checkbox"/> NYC <input type="checkbox"/> Yonkers
6.		6B.  6C.	<input type="checkbox"/> NYS <input type="checkbox"/> NYC <input type="checkbox"/> Yonkers
7.		7B.  7C.	<input type="checkbox"/> NYS <input type="checkbox"/> NYC <input type="checkbox"/> Yonkers
8.		8B.  8C.	<input type="checkbox"/> NYS <input type="checkbox"/> NYC <input type="checkbox"/> Yonkers
9.		9B.  9C.	<input type="checkbox"/> NYS <input type="checkbox"/> NYC <input type="checkbox"/> Yonkers

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This is a scannable form; please file this original with the Tax Department.

IT-204-ATT 2002

<b>NEW YORK SCHEDULE K-1 EQUIVALENT</b>	<b>Partner's New York Information For Calendar Year 2002 or Fiscal Year</b>		<b>2002</b>
	Beginning _____, 2002; and Ending _____.		
Partner's Name, Address and ZIP Code  <b>MARTIN JOEL 21 CAYUGA ROAD SCARSDALE, NY 10583</b>		Partner Number <u>1</u> Partner's Identifying Number <b>135-22-3227</b>	
		Resident <input checked="" type="checkbox"/> Nonresident <input type="checkbox"/> Amended Schedule K-1 <input type="checkbox"/>	Final Schedule K-1 <input type="checkbox"/>
Partnership's Name, Address and ZIP Code  <b>MARTIN J. JOEL PARTNERSHIP 21 CAYUGA ROAD SCARSDALE, NY 10583-6941</b>		Partnership's Identifying Number <b>13-3891671</b> Partner's Percentage of: Ownership <b>99.000000%</b> Profit and Loss <b>99.000000%</b>	
<b>Part I - Partner's Share of New York Modifications to Federal Items</b>			
New York state additions .....			Total amount of change
New York state subtractions .....			
Additions to federal itemized deductions .....			
Subtractions from federal itemized deductions .....			
Amount of interest expense incurred to carry tax-exempt obligations .....			
New York adjustments to federal tax preference items .....			

**Part II - Partner's Share of Credit Information****Part III - Nonresident Partner's Distributive Share of:**

	Amount reported on federal Form 1065	New York amount to be reported on nonresident partner's return
Ordinary income (loss) from trade or business activities .....		
Net income or loss from rental real estate activities .....		
Net income or loss from other activities .....		
Portfolio income (loss) .....		
Guaranteed payments to partners .....		
Net gain (loss) under IRC Section 1231 ( <i>other than due to casualty or theft</i> ) .....		
Other income .....		
Expense deduction for property under IRC Section 179 .....		
Deductions related to portfolio income .....		
Other deductions .....		
Tax preference items for minimum tax .....		
New York adjustments to federal tax preference items .....		
Investment interest expense .....		
Other items required to be reported separately to partners .....		

**THERE ARE NO ADJUSTMENTS OR CREDITS FOR THIS PARTNER.**

<b>NEW YORK SCHEDULE K-1 EQUIVALENT</b>	<b>Partner's New York Information For Calendar Year 2002 or Fiscal Year</b> Beginning _____, 2002; and Ending _____, 2002	<b>2002</b>
Partner's Name, Address and ZIP Code  <b>SYLVIA ANN JOEL 21 CAYUGA ROAD SCARSDALE, NY 10583</b>		Partner Number: <u>2</u> Partner's Identifying Number <u>079-28-6866</u>
Partnership's Name, Address and ZIP Code  <b>MARTIN J. JOEL PARTNERSHIP 21 CAYUGA ROAD SCARSDALE, NY 10583-6941</b>		Resident <input checked="" type="checkbox"/> Nonresident <input type="checkbox"/> Amended Schedule K-1 <input type="checkbox"/> Final Schedule K-1 <input type="checkbox"/>
<b>Part I - Partner's Share of New York Modifications to Federal Items</b>		<b>Total amount of change</b>
New York state additions .....		
New York state subtractions .....		
Additions to federal itemized deductions .....		
Subtractions from federal itemized deductions .....		
Amount of interest expense incurred to carry tax-exempt obligations .....		
New York adjustments to federal tax preference items .....		
<b>Part II - Partner's Share of Credit Information</b>		
<b>Part III - Nonresident Partner's Distributive Share of:</b>		<b>Amount reported on federal Form 1065</b>
Ordinary income (loss) from trade or business activities .....		
Net income or loss from rental real estate activities .....		
Net income or loss from other activities .....		
Portfolio income (loss) .....		
Guaranteed payments to partners .....		
Net gain (loss) under IRC Section 1231 (other than due to casualty or theft) .....		
Other income .....		
Expense deduction for property under IRC Section 179 .....		
Deductions related to portfolio income .....		
Other deductions .....		
Tax preference items for minimum tax .....		
New York adjustments to federal tax preference items .....		
Investment interest expense .....		
Other items required to be reported separately to partners .....		

THERE ARE NO ADJUSTMENTS OR CREDITS FOR THIS PARTNER.